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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/816,069	03/23/2001	Anthony Frank Menninger	41556/04740 (RSI1P086)	7155

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EXAMINER	
WOO, RICHARD SUKYOON	
ART UNIT	**PAPER NUMBER**
3639	

DATE MAILED: 03/24/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.	Applicant(s)	
	09/816,069	MENNINGER, ANTHONY FRANK	
	Examiner	Art Unit	
	Richard Woo	3629	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☐ Responsive to communication(s) filed on _____.

2a)☐ This action is **FINAL**. 2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) 1-18 is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) 1-18 is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) Paper No(s)/Mail Date 2001, 2002, 2003.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____.
5) ☐ Notice of Informal Patent Application (PTO-152)
6) ☐ Other: _____.

DETAILED ACTION

Claim Rejections - 35 USC § 101

1) 35 U.S.C. 101 reads as follows:

> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

2) Claims 1-6, and 13-18 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof." Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural

phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson,* 409 U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

> The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the claimed subject matter...is statutory, not on whether the prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. *In re Toma* at 857.

In *Toma*, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found that the claimed computer implemented process was within the "technological art"

because the claimed invention was an operation being performed by a computer within a computer.

The decision in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* never addressed this prong of the test. In *State Street Bank & Trust Co.,* the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result". See *State Street Bank & Trust Co.* at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See *State Street Bank & Trust Co.* at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, *State Street* abolished the Freeman-Walter-Abele test used in *Toma*. However, State Street never addressed the second part of the analysis, i.e., the "technological arts" test established in *Toma* because the invention in *State Street* (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the *Toma* test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a

§101 rejection finding the claimed invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

In the instant application, there is no significant claim recitation of the data processing system or calculating computer to show the significant change in the data or for performing calculation operations in Claim 1.

In Claim 13, the computer program (or logic) itself can not be directed to a practical application of the invention in the useful art to accomplish a concrete, useful, and tangible result. When the computer program is actually executed by the computer, the claimed subject matter produces a useful, concrete and tangible result.

Claim Rejections - 35 USC § 102

3) Claims 1-18 are rejected under 35 U.S.C. 102(b) as being anticipated by Perkowski (US 5,950,173).

As for Claim 1, Perkowski discloses a method comprising:

receiving a selection of at least one of a plurality of types of pricing schemes utilizing a GUI (see Figs. 4A1-B, col. 18, lines 33–67);

displaying a plurality of supplier sites utilizing the graphical user interface (see Id.); and

depicting at least one of a plurality of pricing fields adjacent the supplier sites based on the selection utilizing the graphical user interface (see Supra Figs. 4s and Fig. 1).

As for Claim 2, Perkowski further discloses the method, wherein the pricing schemes are selected from the group consisting of supplier site pricing, volume pricing, and delivered pricing (see Supra Figs. 4A1-B).

As for Claim 3, Perkowski further discloses the method, wherein the pricing schemes include supplier site pricing, volume pricing, and delivered pricing (see Id.).

As for Claim 4, Perkowski further discloses the method, wherein pricing information entered in the pricing fields is utilized in a supply chain analysis (see Figs. 1, 2A1, and 4A1-B).

As for Claim 5, Perkowski further discloses the method, wherein the selection is received utilizing a network (see Fig. 2A1).

As for Claim 6, Perkowski further discloses the method, wherein the selection is received utilizing an icon of the graphical user interface (see Figs. 3B-C for example).

As for Claim 7, Perkowski discloses a system comprising:

logic for receiving a selection of at least one of a plurality of types of pricing schemes utilizing a graphical user interface (see Figs. 4A1-B, col. 18, lines 33–67);

logic for displaying a plurality of supplier sites utilizing the graphical user interface (see Id.); and

logic for depicting at least one of a plurality of pricing fields adjacent the supplier sites based on the selection utilizing the graphical user interface (see Supra Figs. 4s and Fig. 1).

As for Claim 8, Perkowski further discloses the system, wherein the pricing schemes are selected from the group consisting of supplier site pricing, volume pricing, and delivered pricing (see Supra Figs. 4A1-B).

As for Claim 9, Perkowski further discloses the system, wherein the pricing schemes include supplier site pricing, volume pricing, and delivered pricing (see Id.).

As for Claim 10, Perkowski further discloses the system, wherein pricing information entered in the pricing fields is utilized in a supply chain analysis (see Figs. 1, 2A1, and 4A1-B).

As for Claim 11, Perkowski further discloses the system, wherein the selection is received utilizing a network (see Fig. 2A1).

As for Claim 12, Perkowski further discloses the system, wherein the selection is received utilizing an icon of the graphical user interface (see Figs. 3B-C for example).

As for Claim 13, Perkowski discloses a computer program product for pricing in a supply chain management framework, comprising:

computer code for receiving a selection of at least one of a plurality of types of pricing schemes utilizing a GUI (see Figs. 4A1-B, col. 18, lines 33–67);

computer code for displaying a plurality of supplier sites utilizing the graphical user interface (see Id.); and

computer code for depicting at least one of a plurality of pricing fields adjacent the supplier sites based on the selection utilizing the graphical user interface (see Supra Figs. 4s and Fig. 1).

As for Claim 14, Perkowski further discloses the product, wherein the pricing schemes are selected from the group consisting of supplier site pricing, volume pricing, and delivered pricing (see Supra Figs. 4A1-B).

As for Claim 15, Perkowski further discloses the product, wherein the pricing schemes include supplier site pricing, volume pricing, and delivered pricing (see Id.).

As for Claim 16, Perkowski further discloses the product, wherein pricing information entered in the pricing fields is utilized in a supply chain analysis (see Figs. 1, 2A1, and 4A1-B).

As for Claim 17, Perkowski further discloses the product, wherein the selection is received utilizing a network (see Fig. 2A1).

As for Claim 18, Perkowski further discloses the product, wherein the selection is received utilizing an icon of the graphical user interface (see Figs. 3B-C for example).

Conclusion

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

US 5,715,314 is cited to show a network based sales system including at least one buyer computer for operation by a user desiring to buy a product, at least one merchant computer, and at least one payment computer.

US 5,757,917 is cited to show a method and system for purchasing goods and service on the internet to enable users of the internet to conduct commercial transactions involving a payment funds by one user to another user of the network.

US 2003/0212610 is cited to show a system and method for specification and exchange management including a specification application, an exchange application, a source application, and an optional enterprise application.

WO 97/17663 is cited to show a system for facilitating, selecting, ordering and purchasing of products including a purchase-facilitating, software-implemented computer system, a trade hub, and at least one vendor. Using the purchase program, the buyer enters business and trade information and also enters information regarding the various products.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Richard Woo whose telephone number is 571-272-6813. The examiner can normally be reached on Monday-Friday from 8:30 AM -5:00 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Weiss can be reached on 571-272-6812. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Richard Woo
Patent Examiner
Art Unit 3629
March 20, 2005

JOHN G. WEISS
SUPERVISORY PATENT EXAMINER